

THE HIGHBURY VALE – BLACKSTOCK TRUST

REPORT AND ACCOUNTS

31 MARCH 2005

**Company Registration Number 2849848
Charity Number 1029704**

**Elizabeth House
2 Hurlock Street
London
N5 1ED**



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THE Highbury Vale – Blackstock Trust

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THE Highbury Vale – Blackstock Trust

LEGAL AND ADMINISTRATIVE INFORMATION

Constitution

The Highbury Vale – Blackstock Trust (also known as “Elizabeth House”) is a company limited by guarantee without a share capital and a registered charity governed by its memorandum and articles of association. The charity was incorporated on 2 September 1993 and registered as a charity on 6 December 1993. The liability of the membership is limited and is not to exceed £1 per member.

Directors and trustees

The trustees of the charity for the purpose of charity law are also the directors of the company for Companies Act purposes. All trustees are members of the company. Trustees are normally elected by the existing trustees at Annual General Meetings. A person can also be appointed a trustee on the proposal of a member of the company.

The trustees have no beneficial interest in any contract with the charity and they do not receive any remuneration.

The trustees of the charity are:

Jeremy Corbyn MP

Jake Herbst (retired 27/07/04)

Peter Kent (Chair)

Emanuel Kleyman FCA (retired 03/08/05)

Susanna McKnight

Robert Scott

Christopher Smith (retired 21/09/04)

Reuben Jancovich

Maureen Palmer (retired 21/09/04)

Jonathan Stopes-Roe

Abdullahi Ali

Stella Fleurie (appointed 01/06/05)

Centre Director and Company Secretary

John Phillips

Registered office and operations address

Elizabeth House, 2 Hurlock Street, Islington, London N5 1ED

Reporting Accountants

Harry Nicolaou & Co Limited, Chartered Accountants, 38b Stroud Green Road, London N4 3ES

Bankers

CafCash Ltd, PO Box 289, West Malling, Kent ME19 4TA

THE Highbury Vale – Blackstock Trust

TRUSTEES' REPORT

The trustees have pleasure in presenting their report and accounts of the charity for the year ended 31 March 2005. The accounts comply with current statutory requirements, the requirements of the charity's Memorandum and Articles of Association and the requirements of the *Statement of Recommended Practice for Charities* issued by the Charity Commission.

Objects

The trust's objects are:

- to provide facilities for recreation with the objects of improving the conditions of life and social welfare of the inhabitants of the London Borough of Islington, Haringey and Hackney ("the area of benefit")
- to provide a community centre for the benefit of those living in the area of benefit;
- to advance education for those living in the area of benefit;
- to relieve poverty by providing advice and assistance to those in need; and
- to undertake any other charitable activity

Organisational structure

The trust is managed by a committee made up of the trustees, meeting bi-monthly at Elizabeth House with a standing agenda. Day to day decisions are delegated to the Centre Director who is assisted by staff. The Centre Director regularly reports back to the committee.

Review of activities

The trust has continued to provide a vital service to the communities of Highbury, Finsbury Park and Stoke Newington throughout the period following a major refurbishment of the centre completed in August 2001. Services provided include a wide range of adult education classes, including basic skills, computing and health and complimentary therapies (provided in partnership with City & Islington College), plus a range of other classes run by local community organisations and individuals. The centre also provides classes and activities for children and young people including an After-School club for local primary age children plus holiday playschemes, extra support for local Somali children (with the Somali Education Centre) plus IT sessions. Classes and sessions ran throughout the week from 9am to 9pm as well as weekends. Saturday afternoon and evening is held open for community events, parties and ceremonies. Sadly it proved impossible to re-start the youth club due to unsuccessful funding bids and loss of staff support from Islington Youth Service due to reorganisation of their priorities.

The centre continued to operate at almost full capacity throughout the period, with new activities including ESOL classes and a Young Parents Group. A strong relationship with City & Islington College (our major user) has helped to bridge the gap between costs & income.

A Business Plan for the charity to cover the period 2004-09 was completed based on the results of a Community Survey of local residents & centre users, which collected a great deal of useful information about existing and possible future services. The need for a Welfare and Benefits Advice Service was identified among others and work is ongoing to get these proposals off the ground. The plan covers both H V B T and our sister charity Elizabeth House Play & Youth Services as the two charities work closely together and of course occupy the same building.

The trust wish to express their thanks to Manny Kleyman who has retired to Spain, Manny contributed a tremendous amount towards the success of Elizabeth House by giving the benefit of his financial experience over the years and will be sorely missed.

The trust is actively seeking to recruit new trustees as the longer serving trustees inevitably move on.

The trust wish to express their thanks to all those who supported Elizabeth House throughout the period, especially staff and volunteers for their efforts as well as those who contributed financially as shown later in these accounts.

Continued/.....

THE Highbury Vale – Blackstock Trust

TRUSTEES' REPORT *(continued)*

Related parties

The charity has a close relationship with the Finsbury Park Partnership and London Borough of Islington in that they provide financial support to the charity.

In the previous year the activities of the After School Club, Playscheme and Youth Club were transferred to a newly formed charity, Elizabeth House Play & Youth Services (EHP&YS) registered number 1094090. Staff of the The Highbury Vale-Blackstock Trust (HVBt) manage the activities and administration of the EHP&YS. Staff costs are reimbursed by EHP&YS to HVBt. EHP&YS is charged rent by HVBt for the use of Elizabeth House.

Reserves policy

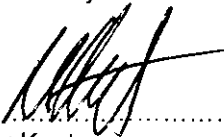
The charity has developed a reserves policy. At 31 March 2005 the charity has a deficit of free reserves of £23,173. Free reserves are those unrestricted funds not invested in fixed assets. The trustees are actively seeking ways of securing the longer-term financial viability of the charity. The trustees have considered whether the charity is a going concern and reference should be made to Note 1 for their assessment.

Risks

The trustees have reviewed the major risks to which the charity is exposed and systems have been established to mitigate those risks.

This report also constitutes the directors reports pursuant to Section 234 of the Companies Act 1985 and has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the trustees on 26th October 2005 and signed on their behalf by:


.....
Peter Kent
Chair

HARRY NICOLAOU & CO LIMITED

Accountants' report to the members on the unaudited accounts of The Highbury Vale – Blackstock Trust

We report on the accounts for the year ended 31 March 2005 set out on pages 6 to 12.

Respective responsibilities of directors and reporting accountants

As described on page 7 the trustees, who are also the directors of The Highbury Vale – Blackstock Trust for the purposes of company law, are responsible for the preparation of the accounts, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company, as we considered necessary for the purpose of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion:

- the accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985;
- having regard only to, and on the basis of, the information contained in those accounting records:
 - the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and
 - the company satisfied the conditions for exemption from an audit of the accounts for the period specified in section 249A(4) of the Act as modified by section 249(5) and did not, at any time within that period, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).



HARRY NICOLAOU & CO LIMITED
Reporting Accountants

38b Stroud Green Road
London N4 3ES

26 October 2005

THE HIGHBURY VALE – BLACKSTOCK TRUST

STATEMENT OF FINANCIAL ACTIVITIES (including Income and Expenditure Account) FOR THE YEAR ENDED 31 MARCH 2005

	<u>Notes</u>	<u>Restricted Funds</u>	<u>Unrestricted Funds</u>	<u>Total Funds 2005</u>	<u>Total Funds 2004</u>
Incoming resources		£	£	£	£
Donations		-	180	180	140
Final settlement of legal action		-	15,000	15,000	-
<i>Activities to further the charity's objects:</i>					
Grants	2	2,290	19,976	22,266	6,630
Hire of premises and support contributions		-	95,526	95,526	71,912
Café income		-	1,842	1,842	2,095
Other income		-	3,216	3,216	214
 Bank interest receivable		-	1,072	1,072	385
Total incoming resources		<u>2,290</u>	<u>136,812</u>	<u>139,102</u>	<u>81,376</u>
 Resources expended					
<i>Charitable expenditure</i>					
Staff costs	3	-	65,002	65,002	73,789
Premises costs	4	10,046	13,043	23,089	22,651
Other costs	5	181	24,875	25,056	37,601
Total resources expended		<u>10,227</u>	<u>102,920</u>	<u>113,147</u>	<u>134,041</u>
 Net incoming/(outgoing) resources for the year before transfers	6	<u>(7,937)</u>	<u>33,892</u>	<u>25,955</u>	<u>(52,665)</u>
Transfers between funds		-	-	-	-
Net movement in funds		<u>(7,937)</u>	<u>33,892</u>	<u>25,955</u>	<u>(52,665)</u>
Total funds at 1 April 2004		490,741	(54,210)	436,531	489,196
Total funds at 31 March 2005		<u>482,804</u>	<u>(20,318)</u>	<u>462,486</u>	<u>436,531</u>

Net incoming/(outgoing) resources for the year also comprises the net income/(expenditure) for the year for Companies Act purposes.

THE Highbury Vale – Blackstock Trust

BALANCE SHEET as at 31 MARCH 2005

	Notes	£	2005 £	2004 £
Fixed assets				
Intangible assets	7		3	3
Tangible assets	8		465,943	474,517
			<u>465,946</u>	<u>474,520</u>
Current assets				
Debtors	9	40,053		19,020
Cash at bank and in hand		32,917		17,815
		<u>72,970</u>		<u>36,835</u>
Creditors: amounts falling due within one year	10	<u>(76,430)</u>		<u>(74,824)</u>
Net current liabilities			<u>(3,460)</u>	<u>(37,989)</u>
Net assets	11		<u>462,486</u>	<u>436,531</u>
Funds				
Restricted funds			482,804	490,741
Unrestricted funds (deficiency)			(20,318)	(54,210)
Total funds			<u>462,486</u>	<u>436,531</u>

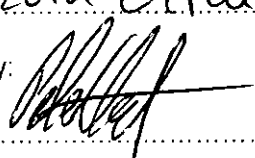
The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the accounts for the period by virtue of section 249A(2), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibility for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its surplus or deficit for the financial period in accordance with the requirements of section 226, and with the Financial Reporting Standards for Smaller Entities (effective June 2002)

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the trustees on 26th October 2005

And signed on their behalf by: 

Peter Kent
Chair

THE Highbury Vale – Blackstock Trust

NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2005

1. Accounting policies

Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with Financial Reporting Standards for Smaller Entities (effective June 2002), the Companies Act 1985 and the Statement of Recommended Practice for charities issued in October 2000.

There is a deficiency of free reserves of £23,173. Action has been taken by the trustees to reduce the costs of the charity and to find ways of increasing the level of funding. The trustees have taken account of the results for the period to 30 September 2005 and the projected results for the year ahead and all other information that could reasonably be expected to be available. Based on this information the trustees consider that is appropriate to prepare the accounts on the going concern basis.

Donations

Voluntary income is received by way of donations, legacies and gifts and is included in full in the Statement of Financial Activities when receivable. The value of services provided by volunteers has not been included.

Grants and other income

Grants, including grants for the purchase of fixed assets, are recognised in full in the year in which they are receivable.

Other incoming resources are included in the Statement of Financial Activities when receivable

Resources expended

Resources expended are recognised in the period in which they are incurred and exclude attributable VAT.

Funds

Restricted funds are grants, donations and other incoming resources which are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are grants and donations and other incoming resources receivable for the objects of the charity without further specified purpose and are available as general funds.

Depreciation

Depreciation is provided at rates calculated to write off the cost of each tangible asset, less its estimated residual value, over the useful economic life of that asset as follows:

Buildings	2% on cost
Equipment and fittings	33.33% on cost

Items of equipment and fittings are capitalised where the purchase price exceeds £300.

Amortisation

Amortisation is provided at rates calculated to write off the cost of each intangible asset, less its estimated residual value, over the useful economic life of that asset as follows:

Logo, internet and business plan	33.33% on cost
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Operating leases

Rentals payable under operating leases are charged to the Statement of Financial Activities as incurred over the term of the lease.

THE Highbury Vale – Blackstock Trust

NOTES (continued)

2. Grants

	Restricted	Unrestricted	Total	Total
	£	£	2005	2004
			£	£
Finsbury Park Partnership	-	7,476	7,476	6,630
St James Trust	-	12,500	12,500	-
LB Islington (Community Radio)	2,290	-	2,290	-
	2,290	19,976	22,266	6,630

3. Staff costs

	2005	2004
	£	£
Salaries and wages	93,098	97,779
Social security costs	5,338	5,015
	98,436	102,794
Less: Elizabeth House Play & Youth Services staff costs	(34,124)	(30,022)
	64,312	72,772
Payroll processing costs	690	1,017
	65,002	73,789

The average number of full time equivalent employees during the year was 6.2, of which 2.1 were engaged in the activities of the charity Elizabeth House Play and Youth Services (and the cost reimbursed to Highbury Vale – Blackstock Trust as shown above).

No employee received emoluments of more than £50,000.

No remuneration was paid to the trustees during the year and no expenses were reimbursed to them.

4. Premises costs

	2005	2004
	£	£
Cleaning, maintenance and repairs	4,663	4,485
Insurance	3,157	2,971
Light and heat	4,022	4,159
Water rates	1,201	990
Depreciation of buildings	10,046	10,046
	23,089	22,651

THE Highbury Vale – Blackstock Trust

NOTES (continued)

5. Other costs

	2005	2004
	£	£
Reporting accountant's fee	2,500	2,004
Advertising	-	1,384
Subscriptions	403	326
Bank charges	41	66
Office equipment, printing, stationery & postage	3,173	4,467
Sundry expenses	738	1,304
Telephone and internet	3,065	1,991
Equipment hire and maintenance	2,709	3,322
IT development, maintenance and support	2,875	4,637
Café expenses	160	763
Training expenses	2,524	958
Legal fees	4,292	4,216
Depreciation of equipment and fittings	2,576	11,405
Amortisation of intangibles	-	758
	25,056	37,601

6. Net incoming resources for the year

	2005	2004
	£	£
This is stated after charging:		
Trustees remuneration	-	-
Depreciation and amortisation	12,622	22,209
Reporting accountant's fee	2,500	2,004

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NOTES (continued)

7. Intangible fixed assets

	Logo, internet and business plan £
Cost	
At 1 April 2004 and 31 March 2005	2,280
Amortisation	
At 1 April 2004	2,277
Charge for year	-
At 31 March 2005	2,277
Net book value	
At 31 March 2005	3
At 31 March 2004	3

8. Tangible fixed assets

	Freehold land and buildings £	Equipment and fittings £	Total £
Cost			
At 1 April 2004	502,299	34,210	536,509
Additions	-	4,048	4,048
At 31 March 2005	502,299	38,258	540,557
Depreciation			
At 1 April 2004	29,378	32,614	61,992
Charge for year	10,046	2,576	12,622
At 31 March 2005	39,424	35,190	74,614
Net book value			
At 31 March 2005	462,875	3,068	465,943
At 31 March 2004	472,921	1,596	474,517

The market value of freehold land and buildings is significantly more than the carrying value and has been estimated by the trustees to be about £1m.

THE Highbury Vale – Blackstock Trust

NOTES (continued)

9. Debtors

	2005	2004
	£	£
Prepayments	-	3,157
Other debtors	40,053	15,863
	<u>40,053</u>	<u>19,020</u>

10. Creditors: amounts falling due within one year

	2005	2004
	£	£
Taxation and social security	5,461	6,634
Other creditors and accruals	35,969	33,190
Loan (secured)	35,000	35,000
	<u>76,430</u>	<u>74,824</u>

The loan is interest free and secured by a charge over the land and buildings.

11. Analysis of net assets between funds

	Restricted funds	Unrestricted funds	Total
	£	£	£
Fixed assets	463,091	2,855	465,946
Current assets	54,713	18,257	72,970
Current liabilities	(35,000)	(41,430)	(76,430)
Net assets at 31 March 2005	<u>482,804</u>	<u>(20,318)</u>	<u>462,486</u>

12. Financial commitments

At 31 March 2005 the charity has a commitment during the next year of £1,780 under a non-cancellable lease of a photocopier, which expires within one to five years.